

**STATE OF ILLINOIS  
SECRETARY OF STATE  
SECURITIES DEPARTMENT**

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**IN THE MATTER OF:**

**Benedicto "Benny" Tolentino,  
Cielo Tolentino,  
Metropolis Investments, Inc.,  
Great Midwest Real Estate, Inc.,  
Bahai Management Co.,  
Tolentino Acquisitions Group, Inc. and  
Continental Land Holdings, LLC**

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**File Number: 07-00170**

**TEMPORARY ORDER OF PROHIBITION**

**TO THE RESPONDENTS:** Benedicto Tolentino  
2199 Post Road  
Northbrook, Illinois 60062

Cielo Tolentino  
2199 Post Road,  
Northbrook, Illinois 60062

Metropolis Investments, Inc.  
2303 Randall Rd.  
PMB 120  
Carpentersville, IL 60110

Metropolis Investments, Inc.  
1450 American Lane  
Suite 1400  
Schaumburg, IL 60173

Great Midwest Real Estate, Inc.  
84 N. Eastwood Dr., #3015  
Woodstock, IL 60098

Bahai Management Company  
326 Railroad Street  
Woodstock, IL 60093

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Tolentino Acquisitions Group, Inc.  
13908 IL Route 176  
Woodstock, IL 60098

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

1. Respondent **Benedicto Tolentino** ("Benedicto") is an individual with a last known address of 2199 Post Road, Northbrook, IL.
2. Respondent **Cielo Tolentino** ("Cielo") is the wife of Respondent Benedicto, and also resides at 2199 Post Road, Northbrook, Illinois.
3. Respondent **Metropolis Investments**, ("Metropolis") is a dissolved corporation engaged in the real estate investment business in Illinois. Respondents Benedicto and Cielo are the President and Secretary of Metroplis, respectively.
4. Respondent **Great Midwest Real Estate**, ("Great Midwest") is a dissolved corporation engaged in the business of rehabilitating real estate in Illinois. Respondents Benedicto and Cielo are the President and Secretary of Midwest Real Estate, respectively.
5. Respondent **Bahai Management Company**, ("Bahai") is a dissolved corporation engaged in the business of real estate in Illinois. Respondents Cielo and Benedicto are the President and Secretary of Bahai, respectively.
6. Respondent **Tolentino Acquisitions Group**, ("Tolentino Acquisitions") is a dissolved corporation engaged in the business or real estate investment in Illinois. Respondents Cielo and Benedicto are President and Secretary of Tolentino Acquisitions, respectively.
7. Respondent **Continental Land Holdings, LLC** ("Continental") was the parent corporation which Respondent Benedicto claimed was purchasing giant tracts of land to develop.

**INTRODUCTION**

8. Respondents Benedicto and Cielo tell potential investors that they are engaged in the business of purchasing, rehabilitating, and selling residential and commercial real estate.
9. Benedicto and Cielo obtain money from investors to finance the alleged purchases and rehabilitation of real estate, and in return promise investors interest payments on their principal.

10. Benedicto and Cielo have established and exert control over several corporate entities, such as Metropolis and Great Midwest, that they claim are vehicles for the purported rehabilitation of real estate. Bahai, Tolentino Acquisitions and Continental, are also corporate entities controlled by Benedicto and Cielo, that were purportedly used to acquire the real estate.
11. Benedicto and Cielo induce members of the public to invest with one of their companies by promising a safe investment with annual returns as high as 15%.
12. Benedicto and Cielo, to further induce members of the public to invest, promise that each investment is safe and secured by a mortgage that they will place on property owned by them.
13. Benedicto and Cielo induce the investors to invest all the holdings of their retirement accounts, to take out loans, and sell off existing investments to obtain more money to invest with them.
14. Benedicto and Cielo provide each investor with an investment note in the name of one of their several corporate alter-egos. Although the investors are told, and the statements received indicate, that they are investing with Great Midwest, Respondents give investors Metropolis Investment Notes memorializing the alleged investment.
15. In reality, Benedicto and Cielo are not purchasing and rehabilitating real estate, nor are the investments secured by a mortgage on property that Respondents have an interest in.
16. Once Benedicto and Cielo obtain an investor's money, with exception to the first interest payment for certain investors, they refuse to pay the investor any interest due or pay the principal upon maturity of the investment.
17. In fact, Benedicto and Cielo use the investors' money to finance their own extravagant lifestyle.
18. In 2005 alone, Benedicto and Cielo defrauded at least 14 residents of Illinois in excess of \$1,500,000.00.
19. On information and belief, Respondents Benedicto and Cielo have absconded to the State of California in the Spring of 2008.
20. The following factual allegations relating to three of Respondents' victims typify the scheme to defraud utilized by Benedicto and Cielo.

Investors 1 and 2:

21. Investors 1 and 2 reside in Illinois and are unsophisticated in investing.

22. In April of 2005, Respondent Benedicto began calling and meeting Investors 1 and 2 in their home to persuade them to invest with him and his company, Respondent Great Midwest Real Estate.
23. During these phone solicitations and personal meetings with Investors 1 and 2, Respondent Benedicto represented that:
  - i. He and his businesses owned multiple properties that he profited from by collecting rents or by rehabilitating the properties and selling them;
  - ii. He and his businesses were also involved in large development deals, including a current development project in Indiana; and that
  - iii. Investors 1 and 2 would receive a 15% return on their investment into Respondent Great Midwestern Real Estate.
24. In addition to making face-to-face representations to Investors 1 and 2, Respondent Benedicto also gave Investors 1 and 2 brochures representing, among other things, that:
  - i. Their investment with Benedicto would be “super safe” and earn “15% secured by a first or second mortgage”;
  - ii. Investors 1 and 2 could “determine the term of their investment”;
  - iii. Their investment would be secured by “excellent collateral” because the loans are “based on 50-60% loan to value or less on local real estate”;
  - iv. They “can liquidate easily” because Respondents’ “mortgages and trust deeds are sold daily...just like stocks”;
  - v. Their “investment is protected” because they would “receive a security instrument with a property as collateral and all other pertinent documents”;
25. In or about May of 2005, after a sales call to Investors 1 and 2, Respondent sent a mortgage broker to Investor 1 and 2’s home. The mortgage broker informed Investors 1 and 2 that he worked for Respondents Benedicto and Cielo.
26. The mortgage broker attempted to persuade Investor 2 to use credit to invest in real estate with Respondents, which Respondents would immediately re-sell at a profit.
27. In June of 2005, Investors 1 and 2 invested \$200,000 with Respondents.
28. On June 2, 2005 Respondent Benedicto tendered Investors 1 and 2 a Note, memorializing Investors’ investment in the amount of \$200,000.00, with Respondents guaranteeing a 15% return payable and due on June 3, 2006.

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29. Despite Benedicto's attestation that they were investing into Great Midwest, the Note Benedicto issued was in the name of his corporate alter-ego Metropolis Investments, Inc.
30. In connection with the solicitation of this investment, Respondent Benedicto promised to secure Investors' investment by giving Investors 1 and 2 a mortgage on real estate that he owned. Respondent Benedicto represented that in the event he was unable to pay the notes from Metropolis, Investors 1 and 2 would have the mortgage on certain property owned by Respondents.
31. On or about August 15, of 2005, Investors 1 and 2 invested an additional \$55,481.90 with Respondents by purchasing two additional Metropolis Notes for \$23,405.00 and \$32,076.90, respectively, with Respondents guaranteeing a 15% return for each payable and due on June 3, 2006.
32. Respondent Benedicto, despite his representations and contractual obligations, refused to provide Investors 1 and 2 with a mortgage on property owned by him or his Respondent companies to secure Investors' initial \$200,000.00 investment.
33. When Investor 1 called Respondent Benedicto regarding the mortgage, Respondent Benedicto would not return Investor 1's calls.
34. Eventually, in October of 2005, Benedicto provided to Investors' what he purported to be a mortgage on property located in Cook County securing Investors' investment.
35. The mortgage was prepared by another of Benedicto's incorporated alter-egos, Great Midwestern Mortgage, Inc.
36. However, the purported mortgage was on real estate that neither Benedicto, nor any of his corporate alter-egos held any interest in.
37. In fact, the Cook County Recorder of Deeds had no record of the alleged mortgage, and provides no records that any of the Respondents have any interest in the particular property.
38. Respondent Benedicto has refused to pay Investors' their principal with interest as he and his corporate alias, Metropolis Investments, were contractually obligated to do.
39. Investors' \$255,481.90 that they invested with Respondent Benedicto was derived by taking a home equity line of credit, drawing from Investor 2's 401(K) account, and drawing from Investor 2's tax sheltered annuity. These funds represented the sole assets and life savings of Investors 1 and 2.

Investor 3:

40. Investor 3 retired in July of 2005, with approximately \$222,445.00 in her IRA.

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41. Shortly after her retirement, in early July 2005, Investor 3 attended a meeting of potential investors that Metropolis Investments held at the Zurich Building in Schaumburg, located at 1450 American Lane, Suite 1400.
42. At this meeting, Respondents Benedicto and Cielo made sales pitches to investors, stating that Metropolis would purchase both residential and commercial properties and would rehabilitate them and sell them at a profit.
43. Respondents Benedicto and Cielo represented to Investor 3 and the other investors at the July 2005 meeting that investors would receive a 15% annual return on their investment, and that distributions would be generated on a quarterly basis.
44. At the July 2005 meeting Respondents Benedicto and Cielo met with Investor 3 and recommended that Investor 3's retirement funds be transferred to Equity Trust, a self-directed trust company, that would then transfer the funds to Metropolis Investments for the investment.
45. On July 8, 2005, following the instructions of Respondents Benedicto and Cielo, Investor 3 transferred her IRA holdings to Equity Trust and her \$222,445.00 was invested into Metropolis Investments.
46. Respondents memorialized Investor 3's investment with a signed notarized Note promising Investor 3 15% interest per annum, paid in quarterly installments of \$8,324.49.
47. Respondents refused to honor their obligations to Investor 3 by failing to pay Investor 3 the first promised \$8,324.49 quarterly payment due on October 15, 2005, and Respondents refused to make any payments or return Investor 3's principal thereafter.
48. When Investor 3 called Respondent Benedicto to inquire about why she was not receiving any return on her investment, Benedicto answered that a "big deal" or "big sale" was forthcoming.
49. In reality, there was no "big deal," there was no "big sale," there was no investment. Respondents took Investor 3's money, as they did with all their other victims, and used the money for their own personal benefit.
50. Respondents subsequently would not answer Investor 3's calls, and Investor 3 finally lost all contact with Benedicto and the other Respondents.
51. Respondents' Notes, as described above, constitute investment notes as defined in Section 2.1 of the Illinois Securities Law of 1953, and are therefore a "Security." 815 ILCS 5/2.1 (the "Act" hereafter).
52. The activities described above constitute the offer and sale of a security as those terms are defined in Sections 2.1, 2.5, and 2.5a of the Act. 815 ILCS 5/2.5 and 2.5a.

**VIOLATIONS**

53. Section 12.F of the Act states that it shall be a violation of the provisions of this Act for any person to, "engage in any transaction, practice or course of business in connection with the sale or purchase of securities which works or tends to work a fraud or deceit upon the purchaser or seller thereof."
54. Section 12.G of the Act states that it shall be a violation of the provisions of this Act for any person to, "obtain money or property through the sale of securities by means of any untrue statement of a material fact or any omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading."
55. Section 12.I of the Act states that it shall be a violation of the provisions of this Act for any person to, "employ any device, scheme, or artifice to defraud in connection with the sale or purchase of any security, directly or indirectly."
56. By virtue of the conduct described above, Respondents have repeatedly violated Sections 12.F, 12.G, and 12.I of the Act.

**PROHIBITION**

57. Section 11.F(2) of the Act provides, *inter alia*, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
58. The entry of this **Temporary Order of Prohibition** prohibiting Respondent, or their agents, affiliates, successors and employees, from offering or selling securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents **Benedicto "Benny" Tolentino, Cielo Tolentino, Metropolis Investments, Great Midwest Real Estate, Inc., Bahai Management Co., and Tolentino Acquisitions Group, Inc.** and each of Respondent's partners, members, officers and directors, agents, employees, affiliates, successors and assigns, are **Temporarily Prohibited** from offering or selling securities in or from this State until the further Order of the Secretary of State.


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NOTICE is hereby given that Respondent may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the **Temporary Order of Prohibition**. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order of Prohibition and will extend the effectiveness of this Temporary Order of Prohibition for sixty (60) days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENT TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

Dated: This 23<sup>rd</sup> day of July, 2008.

  
JESSE WHITE  
Secretary of State  
State of Illinois

Attorney for the Secretary of State:

Jason Chronopoulos  
Illinois Securities Department  
Chicago, Illinois